



Department of Justice

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INDIANAPOLIS MAN SENTENCED TO 43 MONTHS IN PRISON FOR MORTGAGE FRAUD SCHEME

PRESS RELEASE

Mark Roth, 55, Indianapolis, was sentenced today to 43 months in federal prison by Circuit Judge David F. Hamilton following Roth's guilty pleas to one count of wire fraud and one count of money laundering. This sentencing concerned Roth's role in a multi-million dollar mortgage fraud scheme operated by Robert Penn. Roth was found responsible for 25 fraudulent loans, including the first 11 Windsor Village loans, amounting to more than \$5 million.

Today's sentencing follows a lengthy investigation conducted by Special Agents of the Internal Revenue Service - Criminal Investigation Division, with the assistance of the Federal Bureau of Investigation. Eight other individuals have been charged in the scheme. The remaining three cases are currently set for sentencing before Circuit Judge Hamilton on February 2, 2010. The investigation is continuing as to other individuals who were involved in the mortgage fraud schemes.

Previously sentenced in this investigation were:

Robert Penn - 84 months imprisonment;
Timothy Brown - 37 months imprisonment;
Stephen Scott Brown - 37 months imprisonment;
Jerry Jaquess - 30 months imprisonment;
Tamara Scott - 24 months imprisonment.

Mark Roth was involved in the mortgage brokerage business and assisted in brokering numerous loans thru Argent Mortgage Company and The MoneyStation Inc. Through his years of experience in the business, Roth had developed relationships with Argent Mortgage Company employees. Roth prepared the Argent mortgage broker application packages for Web Mortgage Company LLC and American Funding Solutions Inc., to assist these companies in being able to broker loans through Argent. Roth also opened and ran the Indianapolis branch office of 1st Start

Mortgage. Roth, alone and with the assistance of others, prepared and submitted to the lenders false and fraudulent loan applications along with false supporting documentation for the loans, knowing that the documents were false when he submitted them. On some occasions, Roth also requested other individuals to “front” down payment checks for the investors. Roth received money from the fraudulent loan proceeds. He opened an entity and bank account in the name WJP Roth Investments Inc., and used this bank account to deposit the fraudulent loan proceeds which he received. Roth was also partners with Jaquess in Homevestors LLC, a company involved in the purchase of the first eleven Windsor Village properties, located near Arlington Avenue and 21st Street, on the east side of Indianapolis. These properties were purchased for \$50,000.00 each, and then “sold” to straw purchasers for \$120,000.00 each. All of the loans involved in the schemes went into default, and the lenders either foreclosed on the homes or took other action, including granting deeds in lieu of foreclosure or allowing short sales of the properties. Many of the duplexes in Windsor Village later re-sold in 2007 and 2008, generally for amounts between \$3,500.00 and \$15,000.00.

According to Assistant United States Attorney Susan Heckard Dowd, who prosecuted the case for the government, Circuit Judge Hamilton ordered Roth to serve three years on supervised release following his 43 months of incarceration and also ordered him to pay a total of \$1,459,025.97 in restitution to Argent Mortgage Company and Homecomings Financial.

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